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GOVERNMENT TELEGRAPHY.

It appears to me that the time has arrived when the Government of the United States should purchase, in the interest of the people, all the telegraph lines in the country. There are many practical business reasons for such a course, a few of which I will specify.

Glancing, in the first place, at all the precedents, it must be remembered that all the telegraph lines of the Old World belong to the governments of the countries in which they are located. Communication by telegraph has become almost as common, and quite as necessary, as communication by letter. Why should not the two branches of what is really one service to the public be brought together in this country, as in other countries, and placed under one management? It would certainly be a great convenience to the people if every telegraph office were a post-office, and every post-office a telegraph office. As letters are sent to all parts of the United States for two cents, and papers and magazines at one cent for every four ounces, so, I think, a telegraph message should be sent to any part of the United States at the lowest price at which experience has shown it possible that the transmission can be effected. The Press, which sends long messages, and these partly for the general information of the people, if partly also for private business gain, should be charged half the usual rates.

In regard to the method of conveying the property of the telegraph companies to the Government, a law should, in my judgment, be passed by Congress, regulating all the purchases in such a way that every company should be bound by a principle. Each telegraph company should select an arbitrator, and the Government should choose another. In case of disagreement between these two, they should choose a third, who ought to be a man thoroughly experienced, and regarded as an expert in the business. These arbitrators should have power to examine all reports and accounts,

so as to arrive at the fact as to the actual net profits which the line or lines had earned during any given year—say 1885, inasmuch as the transfer of the telegraph property from private hands to the public should be made at once—the sooner the better—if the public benefits to which I have pointed demand it. The Government should then establish, as a principle, that the stock of a company which had earned five per cent., clear profit, must be rated at par in making the purchase, and rated in the same ratio if earning either more or less. Thus, if five per cent. gave par, four per cent. would give eighty ; three per cent. sixty ; and so on.

It will be asked, of course, where the United States Government is to procure the money to make the purchases. It can be done very easily and satisfactorily. Let there be, for the purpose, an issue of three per cent. bonds. The Government will thus be enabled to reap the profit on the investment, as between three and five per cent., and also gain on the constantly increasing business and by the great saving in rent of offices. This two per cent. surplus would form a sinking fund for the redemption and payment of the bonds. These bonds should have fifty years to run. No difficulty would be experienced in raising the money, as individuals and estates would be glad to invest in such securities. Under this arrangement, the United States Government would, in much less than fifty years, own all the telegraph lines in the country, and actually without cost to the Government or people. This principle was adopted by the English Government, and was found to be just to all.

It is imagined by some persons that danger would arise from the ownership of the telegraph lines by the United States, on account of our frequent changes in the administration of the government. But I believe this apprehension is entirely without foundation. The measure would be for the good of all political parties, as well as of all the people. The Government telegraph lines would be in no greater danger than the post-office. The overturn or change in the Government does not destroy the administration of the post-office, but often helps to improve it.

Is it asked, how long a time would elapse before the people would enjoy the benefits of reduced telegraph rates? No doubt exists in my mind that if the United States Government should enter into the business, the reduction of expense in running the telegraph lines would begin at once. There would be no necessity

for so many telegraph offices—often in the same building—with their attendant expense for rent and attachés. The post-office would also be the telegraph office. The reduction in cost alone would be one of the means of enabling messages to be sent at a far lower price than at the present time. It would therefore be only a short time before the public would be reaping the advantages of the change in the system. As I have already explained, the United States Government would have possession and complete control over the telegraph systems of the country, and actually without cost to the people.

It may be objected, however, that not all telegraph companies are successful. Some of them do not pay. But why? For the simple reason that the expenses are too great in operating the lines. Often two or three offices belonging to different companies are located in a small place. There is not business enough for all of them to live upon. They contend with each other for business, and, in the strife, rates are cut so as not to pay operating expenses, in that district, for either of them. This result is of no permanent benefit to the public at large, and the companies are unable to maintain themselves during the conduct of the useless warfare.

And now the final question arises: Would the telegraph companies agree to sell their lines to the Government? As a practical answer to this question it may be sufficient to say that the plan was found to be a good one in England, and that it proved to be fair and acceptable to all parties.

CYRUS W. FIELD.